

**Absorption of Telecom Department in BSNL**

**39. SHRI C.M. IBRAHIM:** Will the Minister of COMMUNICATIONS be pleased to state:

(a) what are the terms on which the Telecom Department employees are to be absorbed in BSNL (the Bharat Sanchar Nigam Ltd.) and the terms of pensionary and other retirement benefits to be given to them; and

(b) what will be the nature and extent of Government control on the Nigam after corporatisation, including its infrastructure and share in finances and equity?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR):** (a) The terms and conditions of services in BSNL shall be finalized after discussions with the recognized Union formed by the Optees of Bharat Sanchar Nigam Ltd. (BSNL) as per the standing orders of Industrial Employment Act 1946. However, certain provisional terms and conditions of service for absorption, the terms of pensionary and other retirement benefits already decided are enclosed in the statement (*see below*).

(b) Bharat Sanchar Nigam Ltd. (BSNL) which commenced its operations in 1st October, 2000 as a wholly owned Government of India Enterprise incorporated as a Public Limited Company under the Company's Act 1956, with an authorized share capital of Rs. 10,000 crores and paid up capital of Rs. 5000 crores. The value of each share has been kept at Rs. 10/-

**Statement**

**(a) *Provisional Terms and Conditions***

**1. Residential Quarters:** The DoT staff who are allottee of BSNL quarters will continue to occupy the same on as is basis even

after permanent absorption in BSNL. Those staff who do not opt for BSNL would not be entitled to BSNL quarters.

**2. Age of Superannuation:** Age of superannuation for all the non-Board level employees in BSNL will be regulated in accordance with Government rules.

**3. Seniority:** The existing seniority in DoT will be maintained in BSNL after absorption. The service rendered by the staff in the DoT, as on date of permanent absorption in BSNL, will be counted. Their existing inter-se seniority in the concerned gradation list will be maintained.

**4. Leave encashment:** The Government leave rules will be applicable in BSNL after absorption.

**5. Para 38 transfers:** The para—38 transfers would continue to be applicable to the BSNL staff as in the DoT even after absorption.

**6. Bonus:** The existing Productivity Linked Bonus scheme would continue to apply till BSNL decides its own scheme.

**7. Compassionate appointment:** The DoT policy regarding compassionate appointments would continue in BSNL also.

**8. Pending HRD issues:** The HRD issues referred to BSNL by DoT would be discussed with the three federations and decided at the earliest.

**9. Medical benefits:** The existing DoT medical benefits would continue in BSNL till alternative arrangements are made in BSNL.

*(b) Pensionary benefits*

The employees who opt for permanent absorption in BSNL would be covered by Provisions of Rule 37A of CCS (Pension) Rules, notification for which was issued by the Department of Pension and Pensioners Welfare on 30.9.2000. Some of the salient features of this rule applicable to BSNL are as follows:

1. The pensionary benefits including family pension shall be paid by Government.

2. The employees shall be eligible for pensionary benefits on the basis of combined service rendered by them in the Government and BSNL.

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3. Earned Leave and Half Pay Leave at the credit of the employees on the date of absorption in-BSNL shall be transferred to BSNL.

4. The dismissal or removal from service of BSNL of any employee after his absorption for any subsequent misconduct shall not amount to forfeiture of the retirement benefits for the service rendered under the Government and in the event of his dismissal or removal or retrenchment the decision of BSNL shall be subject to review by the Department of Telecom.

**Effect on Sale of Cellular Phone Service due to concessional call rates**

**<sup>†</sup>40. SHRI JANESHWAR MISHRA:** Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether it is a fact that Government have failed to achieve the target fixed for sale of cellular phone service;
- (b) if so, the detail thereof;
- (c) whether it is also a fact that announcement of new concessional call rates by the private companies has affected its sale; and
- (d) if so, the action being taken by Government to achieve the target and provide better facilities?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR):** (a) No Sir.

- (b) Not applicable, Sir.
- (c) No, Sir. MTNL has announced its own tariff package of affordable call rates. Already 10,331 customers have applied for the service in MTNL Delhi.
- (d) Not applicable, Sir.

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<sup>†</sup>Original notice of the question was received in Hindi.